



**PORTSMOUTH
AND
PADUCAH
SITE OFFICE

WORK FORCE

RESTRUCTURING PLAN**

**U.S. Department of Energy
Portsmouth Site Office
Paducah Site Office**

**Final
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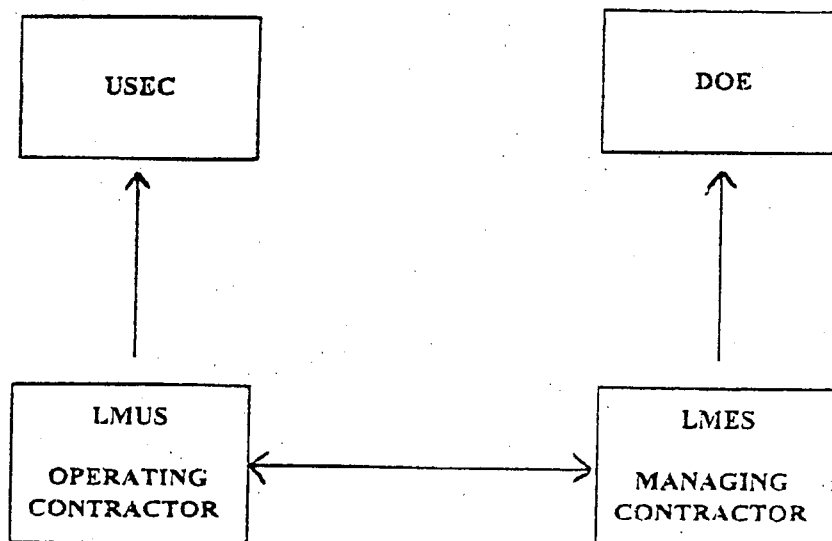
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1. INTRODUCTION

The Portsmouth (PORTS) and Paducah (PGDP) Site Offices are implementing the Department's policy to develop a Work Force Restructuring (WFR) Plan to mitigate the impact of work force restructuring on affected workers and their communities due to changes in missions or budgets, or from management and contracting efficiencies. This document is the PORTS and PGDP WFR Plan that will serve as the generic plan outlining benefits and actions that may be taken to address the impact of restructuring on Lockheed Martin Utility Services (LMUS) workers at PORTS and PGDP through CY 1998. This Plan may be amended or updated, as circumstances require.

On May 29, 1997, PORTS and PGDP announced that notices of separations are to be issued to approximately 130 workers of United States Enrichment Corporation's (USEC) prime subcontractor, Lockheed Martin Utility Services. These reductions included 104 positions at PORTS and 11 positions at PGDP. The remaining 15 positions identified were from USEC Central assigned to either PORTS or PDGP. An opportunity was provided for workers to volunteer and receive severance to avoid an involuntary separation. A total of 44 voluntary separations were achieved (PORTS had 37 and PDGP had 7).



The above diagram shows the relationship among the United States Enrichment Corporation (USEC), Lockheed Martin Utility Services (LMUS), Lockheed Martin Energy Systems (LMES), and the Department of Energy (DOE). LMUS is the prime contractor to USEC and employs over 4300 workers at PORTS and PGDP. LMUS

provides required services for DOE related activities (highly enriched uranium suspension and refeed, security, maintenance and environmental) through a Memorandum of Understanding (MOU) with LMES and DOE. The MOU specifically identifies the scope of work, requirements and cost of each activity. DOE's prime contractor is LMES and employs over 320 workers at PORTS and PGDP. LMES manages the expenditures and coordination of all DOE Site activities for PORTS and PGDP. The Oak Ridge Operations WFR Plan will address benefits and restructuring actions for LMES workers at PORTS and PGDP.

Through an MOU, LMES buys services from LMUS to support DOE-related activities. Completion of several DOE-related activities, including certain activities Environmental Management Program and the nuclear safety upgrades of the Gaseous Diffusion Plants, has reduced the services being provided by LMUS. This Plan is for those affected LMUS employees who worked on DOE-related activities. The PORTS and PGDP Site Offices have provided in this Plan a benefits and assistance package for LMUS employees that is consistent with that provided recently to separated LMES workers at Oak Ridge, because prior to July 1, 1993, LMUS and LMES workers were employed by a single firm, which was a prime contractor to DOE.

From time to time, Oak Ridge Operations (ORO), the DOE field office responsible for PORTS and PGDP, announces changes in missions and cost-saving efforts in the Environmental Management (EM), Nuclear Energy (NE), and other DOE-related activities that impact on PORTS and PGDP contractor and major subcontractor work forces. The purpose of the cost-saving initiatives is to both improve the cost-effectiveness and efficiency of accomplishing program work, and to prepare in a planned, business-like manner for the likelihood of lower budgets over the long term. It is expected that the resulting employment reductions will be accomplished in a phased manner.

Each general announcement of the need to restructure the work force will include an estimate of the number of positions to be eliminated during the next twelve months. However, with future uncertainties surrounding budget levels in several major PORTS and PGDP programs, it is likely that the actual number of impacted positions could vary from the announced estimate.

PORTS and PGDP will involve area stakeholders by providing them with the current Departmental planning guidance for Contractor Work Force Restructuring, seeking their ideas on this draft plan, and incorporating their comments and suggestions into the final Plan to the extent feasible.

As set forth below, this plan outlines actions PORTS and PGDP intend to take to reduce the impact of restructuring on employees, including outplacement assistance, displaced worker health benefits, preferential hiring requirements, relocation assistance, continuing

educational or retraining assistance, and voluntary reduction-in-force (VRIF) separation programs. To be eligible for the assistance and benefits described in this Plan, impacted employees must meet the eligibility criteria described in Appendix A of this Plan.

IMPORTANT NOTE: There is no guarantee that any future reductions in the work force will include enhanced separation benefits. There is a very real possibility that implementation of future work force restructuring actions will not include the same level of benefits as may have been offered previously.

Provisions of this Plan are not intended to replace normal separation benefits to which eligible contractor employees would normally be entitled under their contract. This Plan is offered to supplement those benefits. It is not the intent of the Department of Energy in implementing this Work force Restructuring Plan to create any private right of action or to create rights in any third parties.

2. COMMUNITY AND STAKEHOLDER INVOLVEMENT

PORTS and PGDP provided full opportunity for local and regional stakeholders who may be affected by work force restructuring to assist in the planning process. A list of stakeholders (see Appendix B) has been compiled and includes employee representatives and union leaders, contractors and subcontractors, local and State governments, educators, citizen groups, economic development and civic groups, and business and commercial leaders.

Consistent with the Interim Planning Guidance for Work Force Restructuring issued February 1996, PORTS and PGDP will issue a general announcement at the time of implementing major Work Force Restructuring. Information will be provided to employees, employee representatives, and the community at large that work force changes will be required at the Portsmouth and Paducah facilities, including approximately how many jobs will be eliminated. A briefing for local media representatives may also be held in conjunction with the announcement.

The Southern Ohio Diversification Initiative Community Reuse Organization (SODICRO) and the Ohio Regional Valley Development Commission (OVRDC) are nonprofit economic development organizations made up of economic development representatives from surrounding communities, businesses and educational institutions. They served effectively in a similar role during the development of previous work force restructuring activities at PORTS. To facilitate the communities involvement the SODICRO and OVRDC have been recognized by the Portsmouth Site Office coordinators for area stakeholders to work with PORTS and others in providing ideas to the Plan.

The Paducah Site Office has not recognized a Community Reuse Organization for the greater Paducah area. The Purchase Area Development District and the Greater Paducah Economic Development Council are nonprofit economic development organizations, that are currently in the process of establishing a Community Reuse Organization for the community. Should such an organization be created and recognized by PGDP, consideration will be given to providing assistance according to the guidance published by the Office of Worker and Community Transition on February 7, 1997.

A draft of this PORTS and PGDP WFR Plan was provided to local area stakeholders for review and comment. Local stakeholder meetings to discuss the draft Plan were held in order for DOE to receive additional ideas and respond to any questions or concerns. DOE PORTS and PGDP representatives provided background information on the WFR

process, and summarized current PORTS and PGDP program perspectives and outlooks. DOE included a question and answer period for comments from the audience. Suggestions and other ideas were carefully considered and, as appropriate and to the extent practicable, were included in the final Plan. A record of all comments was made and the basis for rejecting specific recommendations in the final Plan was maintained and documented. Copies of Plan drafts and the final Plan were placed in the U. S. DOE Environmental Information Center at 505 W. Emmit Avenue, Waverly, Ohio, 45690. The U.S. DOE Environmental Information Center is open Monday, Tuesday, Wednesday and Friday from 10 a.m. - 4 p.m., and Thursday from 9 a.m. - 12 p.m., and its telephone number is (614) 947-5093. Plan changes or additions are made available in the reading room for review and comments.

Copies of Plan drafts and the final Plan for PGDP were be placed in the U.S. DOE Environmental Information Center at 175 Freedom Blvd., Kevil, Kentucky, 42053. The center is open 7 a.m. - 4 p.m., weekdays or by appointment. Its telephone number is (502) 463-2550. In addition copies of the Plan drafts and final will be available at the Paducah Public Library, 555 Washington St., Paducah, Kentucky, 42002. The library is open 9 a.m. - 9 p.m., Monday to Thursday, 9 a.m. - 5 p.m., Friday and Saturday and from 1 - 5 p.m. on Sunday and its telephone number is (502) 442-2510.

PORTS and PGDP encourage participants and other interested parties to submit any other comments on the Draft Plan for consideration before submittal of the Plan to DOE Headquarters for approval by the Secretary of Energy.

3. WORK FORCE PLANNING AND INTERNAL REALIGNMENT

a. Work Force Planning

An essential part of restructuring the work force is to assess current and future missions and program work in relation to the skills and capabilities of the existing work force. The purposes of this evaluation are to determine any mismatches between the skills required to perform continuing or changed mission requirements and the skills presently available to perform the work, to determine the extent to which the existing work force can be reassigned or retrained to meet the needs of changed missions, and to determine if it will be necessary to terminate employment of individuals whose skills are no longer required.

The DOE managers of PORTS and PGDP programs (Environmental Management, Nuclear Energy and other major programs), in partnership with the contractors and subcontractors who perform work in these areas and in consultation with existing collective bargaining representatives of potentially affected employees, reassess the work force impacts as programmatic priorities shift and anticipated budget levels change.

The high degree of budgetary uncertainty and anticipated changes in contractor arrangements make it difficult to plan work force needs for future years. Based on the information and assumptions currently available, work force scenarios are developed and then updated as conditions warrant. The effects of changes in contracting arrangements, existing contractor turnover, retraining, or other mitigating activities, and the need to achieve other overall goals such as diversity and cost reduction, all have a bearing on work force planning decisions.

Each planning year, contractors and designated subcontractors provide to PORTS a planning analysis by skills. The work force analysis process used by the Department and its contractor to determine necessary work force reduction is depicted in Figure 1, "Work Force Restructuring Process," and is described as follows:

**DEFINE
BUDGET**

— **PRIORITIZATION OF WORK PROJECTS TO BE ACCOMPLISHED**

**DEFINE WORK SCOPE
TO CARRY OUT
PROJECTS**

Elements of Cost

- Site
- Organization
- Etc.

**IDENTIFY SKILLS AND
OTHER RESOURCES
REQUIRED**

- Labor
- Materials
- Procured Services
- Subcontracts
- Other Primes

**ANALYZE AVAILABLE WORK
FORCE AND PROVIDE
INFORMATION TO
IMPACTED ORGANIZATIONS**

**CONSULT WITH AFFECTED
STAKEHOLDERS AND DEVELOP
FINAL PLAN**

- Define the projected budget for the specific Program(s) (based on program guidance from DOE), prioritize projects and activities to be accomplished during the period as defined by PORTS and PGDP;
- Identify specific work (work scope) to be accomplished, and the work force skills needed to carry out projects;
- Determine the skills mix and other resources required to accomplish the defined work by site, contractor, and organization. Resources include labor, materials, procured services, and subcontracts;
- Compare work requirements with available work force capability and develop information by affected organizations, analyzing the number of needed employees by specific worker classification and job group. Identify personnel impacts in each of the involved organizations (contractors and subcontractors) and develop mitigating human resource strategies and action plan;
- Consult with community representatives and other affected stakeholders to develop a plan.

***Outsourcing, Privatization and Subcontracting**

Employees laid off because of outsourcing, privatization or subcontracting will receive severance pay and, subject to meeting eligibility criteria, will also receive benefits under this Plan, including the hiring preference under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993.

***Reindustrialization**

Reindustrialization is essential to the success of the region in recruiting industries to provide replacement jobs for those being lost through downsizing. Portsmouth intends to lease surplus Gaseous Centrifuge Enrichment Processing facilities and DOE-retained facilities primarily through the SODICRO, involving private sector business, but the process could also result in DOE contracts.

Companies who contract to accomplish DOE-funded activity will be required, as part of reindustrialization, to comply with Section 3161 requirements, including hiring preference consideration. If employees are impacted as a result of reindustrialization-related contracts or subcontracts, the same conditions as described above for outsourcing, privatization and subcontracting actions will apply.

If a company leases a facility on the PORTS Site through SODICRO for commercial business purposes, unrelated to DOE's mission, and not funded by DOE, the company

will be encouraged to give first consideration to 3161-eligible individuals for any external hiring it may do.

***Major Changes in Contracting Arrangements**

Project-support contractors and subcontractors are expected to periodically experience reductions related to mission changes and/or reduced funding. PORTS and PGDP will continue to work with all impacted organizations and applicable unions as they become known.

Completion of Highly Enriched Uranium Suspension and Refeed Programs will result in a reduction of additional employees who can not be absorbed into LMUS. These reductions are anticipated at PORTS during the period of August - December 1998 and will have a direct impact on the United Plant Guard Workers of America.

b. Internal Placement and Reassignments

PORTS and PGDP are committed to assuring that contractors and subcontractors maximize utilization of the existing work force to reduce the need for involuntary separations through a reduction-in-force. Impacted organizations will consider implementing as many of the following actions as feasible.

- Limit external hiring.
 - New hires should be severely restricted while at-risk employees remain who can be placed in new positions;
 - External hiring should be limited to obtaining critical skills which are unavailable within the existing work force, which cannot be developed in a reasonable time through retraining, and which are essential to support critical program work.
- Retrain at-risk workers whenever practicable.
- Maximize use of internal transfers and reassignments of employees from area of surplus to areas where employees are most needed.
- Consider other techniques such as alternate work schedules and job sharing when feasible.

Consistent with DOE Order 350.1, Chapter 3, "Reductions in Contractor Employment," PORTS and PGDP work with the contractors covered by the Plan to ensure that they use their best efforts to alleviate adverse impacts and to require that they document their analysis to demonstrate these efforts. An effort is made, according to the programs

identified in this Plan, to minimize the number of employees involuntarily separated.

However, when involuntary separations are required, employees who are not represented by union collective bargaining are identified for involuntary separation consistent with applicable personnel policies based on a number of factors, including but not limited to: the need for the individual skills, taking into account the possibilities for retraining to the extent practicable; individual performance; seniority; and diversity of work experience as it relates to the overall strategic direction. Performance within the ranking group is assessed according to the contractors' published performance appraisal guidelines. Represented employees covered by collective bargaining agreements are identified for involuntary separation according to their respective collective bargaining agreements. Application of these factors to individual employees is documented.

LMUS has established an internal Management Review Board and a Disparate Impact Review Board. The boards are comprised of human resources' staff, the Work Force Diversity Manager, and line managers (not in the organization being reviewed), and they review line management RIF decisions involving any individual covered by applicable civil rights laws and regulations as well as the contractor's affirmative action program.

In addition, consistent with (a) the need for critical skills, (b) the Department's efforts to increase the efficiency and cost-effectiveness of its operations, (c) the results of cost/benefit "make or buy" analyses, (d) schedule impacts, and (e) contract terms, contractors will restrict the use of staff augmentation personal services subcontracts and consultant agreements to maximize the use of impacted employees. However, this restriction does not apply to the use of, or employment with, a fixed-priced subcontractor.

PORTS and PGDP contractors that anticipate work force restructuring will take steps to mitigate its impacts beginning the year before the year in which restructuring is expected. For example, they may place administrative controls on outside hiring prior to, as well as, during periods of reductions. This process consists of reviewing the qualifications of available employees for existing job openings before proceeding to fill these jobs from the outside. All outside hiring activity is approved by designated senior management based on the criteria identified in this section. In addition, affected employees are being given first consideration for salaried job openings before bidding and advertising, and for hourly job openings after collective bargaining agreement job-bid and recall requirements have been met.

Immediately following an announcement from PORTS or PGDP of the need for work force restructuring, if the contractor have not already begun to do so, they will begin to mitigate impacts on workers by careful position management and internal reassignments. It is important to note that some PORTS and PGDP contractors are large organizations. In any given year, when one or more of their programs are declining, others may be growing. Even within a program, there is usually a need to fill some jobs during

downsizing due to changing skill mix requirements and the need to retain critical capabilities. For example, there may be internal transfers involving people who are reassigned to other jobs by matching their skills with available remaining work. The number of involuntarily terminated employees is reduced accordingly, compared with the number initially projected.

4. PROGRAMS FOR IMPACTED WORKERS

a. Involuntary Separation Program

Consistent with contract language covering involuntary separations, LMUS employees who are involuntarily separated will receive severance pay in accordance with Appendix C of this Plan.

In addition LMUS employees who are involuntarily separated may be eligible to receive the following benefits which are explained in greater detail in this Plan:

- (1) Displaced Workers Medical Benefits;
- (2) Reimbursement of relocation expenses up to \$2500 for moves within one year of separation to another DOE facility or a Lockheed martin location if the hiring location's policies and practices do not cover full reimbursement of relocation expenses;
- (3) Education assistance up to \$6,000 over a three-year period commencing immediately after separation;
- (4) Outplacement assistance for as long as the Outplacement Center is open;
- (5) Preference in hiring benefit for eligible involuntarily separated employees described in Appendix A (A-2)

b. Voluntary Separation Programs

PORTS and PGDP work with the contractor organizations anticipating employment reductions as part of work force restructuring, to consider the use of voluntary reduction-in-force (VRIF) programs to encourage voluntary separations. VRIF programs are used to enable employees in impacted organizations to volunteer to be separated and to receive normal severance pay (pursuant to the terms of their contractor's contract with DOE) if the VRIF eliminates the need to involuntarily lay off that employee or another employee. The key consideration in granting a VRIF is that it eliminates the need to impose an involuntary reduction in force on employees in job classifications that are at risk for involuntary reductions. Approvals of applications to participate in a VRIF are granted by appropriate contractor human resources and line management officials in accordance with established company policy. No employee has a right to a VRIF benefit; applications for voluntary separation may be refused if they do not meet the intent of the program or if they fail to preserve critical knowledge, skills, or staffing levels necessary to meet continuing mission requirements.

Contractors covered by a WFR Plan must submit a request to implement a VRIF program to PORTS or PGDP for review and prior approval. Contractors who implement approved VRIF programs must also adopt post-employment restrictions, requirements for repayment of the severance benefit on a prorated basis upon rehiring, or other procedures to ensure that individuals accepting a VRIF benefit are not inappropriately rehired.

During this plan year, LMUS requested approval to implement a VRIF program, which was approved by PORTS and PGDP. PORTS and PGDP have approved a severance payment equal to the severance offered under LMUS contract. Written requests to participate in the VRIF were accepted during the initial window (PORTS - for hourly employees, May 30 - June 30, 1997, and for salaried employees, June 6 - June 20, 1997; PGDP - for both hourly and salary employees, June 26 - July 10, 1997). Employees separating under the VRIF generally go off the payroll within 30 - 60 days.

c. Displaced Workers Medical Benefits

Displaced Workers Medical Benefits, consistent with Departmental planning guidance on contractor work force restructuring, are offered to all separating employees of management and operating (M&O) contractors and other contractors at PORTS and PGDP as described further. Employees who are not eligible for such medical insurance under any other program (including another employer's group plan either as an employee or dependent, or Medicare or other retirement program coverage) may elect coverage under the Displaced Workers Medical Benefits Program (DWMBP).

During the first year following separation, the contractor will continue to pay its portion of the former employee's medical premium, and the former employee will pay the normal employee share (i.e., the active employees' premium rate). During the second year, the former employee will pay 50 percent of the Consolidated Omnibus Budget Reconciliation Act (COBRA) rate, (i.e., 100 percent of the full cost including employer and employee contributions, and 2 percent to cover administrative expenses). During the third and subsequent years, the former employee will pay the full COBRA rate.

The former employee must certify eligibility each month to continue participation in this program and follow all other procedures and conditions established by the employer. Failure to provide timely certification will result in termination of the extended medical insurance benefits.

If a former employee is eligible for coverage from another employer, but that employer's coverage contains a preexisting condition limitation or exclusion, the former employee will be allowed to receive coverage for the preexisting condition under the extended medical coverage under the DWMBP until the preexisting condition limitation or exclusion period is satisfied. Similarly, the former employee may continue coverage under the DWMBP during any waiting period before coverage under a new plan is

effective.

Alternatively, a former employee may elect to continue medical coverage under COBRA. Separating employees will be provided a separate notice of COBRA benefits.

If the separating employee is eligible and elects to continue medical benefits under DWMBP, or under COBRA, the employee's payment will be due on the first day of each month, and if payment is not received by the 20th day of that same month, the insurance will be canceled. Medical coverage will cease. The former employee's share of the monthly premiums and the COBRA rates may change annually.

d. Outplacement Assistance

It is PORTS' and PGDP's intention to provide out placement assistance to all affected employees under this Plan on an equitable basis that minimizes duplication of services and unnecessary costs. The extent of services provided will be planned in consideration of the number and classifications of employees who are expected to require assistance at the time. Outplacement assistance may also be made available to employees approved for voluntary separations.

An LMUS-operated Career Center will function on a limited basis in conjunction with the general notification of the need for work force restructuring. LMUS at PORTS has established a contract with Star Access to provide outplacement services. A LMUS-operated Outplacement Center was established at PGDP.

The purpose of the Career Center is to assist displaced workers to develop career plans, execute job searches, and look for retraining and employment opportunities. The Center may also provide administrative support in processing applicants or candidates for various types of assistance programs and may develop retraining and educational opportunities. A satisfactory employment match is the desired outcome.

The Career Center will provide services such as aptitude and skills assessments, job analyses (present and future), information on job demand and supply, wage information, and access to school, training and unemployment information. Several software applications and hard-copy assessments are available through the center to assist employees in determining their skills and aptitudes. Providing assessment and evaluation services to all eligible employees will help insure that everyone's interests and aptitudes receive proper attention. Referrals may be made to the Educational Assistance Program, or to an area school.

Job openings are posted on bulletin boards in the Career Center and, where practicable, on company electronic bulletin boards. Job leads are received from private industry, other contractor and subcontractor corporate locations, and other DOE contractors. The

Career Center offers access to several job search software programs, including:

- Job-Opportunity Bulletin Board System (JOBBS) - a DOE contractor system used to match displaced workers with job vacancies in the DOE community. JOBBS is for the exclusive use of DOE, its contractors and subcontractors, and is free to all qualified users to facilitate the requirement to give a hiring preference to DOE contractor employees displaced by WFR. BDM Federal, Inc., is administering the JOBBS for DOE; additional information on it can be obtained by calling the company on (408)657-1846, or the Career Center in PORTS on (614) 897-2043 or the Career Center in PDGP on (502) 441-6972.
- Interstate Job Bank - a nationwide, job-listing computer program available at the Career Center.

Other services provided by the Career Center include assistance in preparing resumes and cover letters, filling requests for training records and transcripts, reproducing and transmitting materials, and providing other job search assistance. A library of resource materials is located in the Career Center.

Workshops will be planned and conducted as necessary to meet demand. Possible workshop topics include:

- resume writing
- job search techniques
- interviewing skills
- computer skills
- financial management and planning
- Credit Union services (e.g., paying loans)
- Economic Displaced Worker Administration
- Small Business Administration and Services Corps of Retired Executives (SCORE) (e.g., small business loan programs)
- setting education goals and obtaining grants
- community services (e.g., food programs, medical services, legal services)
- unemployment services
- real estate services
- stress management

An educational counselor from the Shawnee State University, Portsmouth, Ohio, is available by appointment to help employees make career decisions, select an academic institution, and complete admission and financial aid forms. The counselor also explains federally funded student financial assistance programs.

As appropriate, consideration is given to conducting job fairs to market the skills of the

workers being displaced.

Employees at PORTS are advised of services available at Ohio University Chillicothe and Ironton branches and University of Rio Grande. At PGDP, services are available at Paducah Community College. For example, these schools conduct interest assessments, hold career workshops, and post job openings. In addition, they maintain libraries that contain reference material of interest to job hunters.

Impacted employees are also referred to the local Ohio Bureau of Employment Services, or the employment services in the tri-state area (Missouri, Illinois, and Kentucky) for PGDP and other area resources for services such as:

- skill assessment
- job counseling
- referral to resource agencies and job search information
- career planning
- training services (e.g., basic skills, General Equivalency Diploma preparations, and job-specific skills training)

Meetings, sponsored by the Rapid Response Team, Ohio Bureau of Employment Services, are being held. Participants will include: The Ohio Bureau of Employment Services, Ohio Department of Human Services, and the Job Training Partnership Act/Private Industry Council Coordinators. The coordinators are available for individual appointments following the group meetings. Representatives of the Ohio Department of Labor have set up offices within the Career Center to counsel and provide services on-the-spot for impacted workers.

The LMUS Department of Human Resources at PGDP will act as the liaison between the LMUS impacted workers at PGDP and the proper state employment services (Kentucky, Illinois or Missouri).

The Career Center focuses both on internal reassignments of identified employees, as well as on outplacement of impacted workers who avail themselves of the services offered through the center.

c. Relocation Assistance

Contractors are encouraged to facilitate internal transfers for impacted workers within their organizations. Normally, it is expected that the gaining organization will pay for relocation costs to the extent the employee is eligible for such benefits from that organization. In such cases, the employee will not be eligible for benefits under this plan.

However, during the period covered by this plan, relocation assistance may be provided

under the WFR Plan to involuntarily separated workers who meet the eligibility requirements located in Appendix A of this document and who are hired at another DOE facility or a Lockheed Martin location if the hiring location's policies and practices do not cover full reimbursement of relocation expenses. The separated worker has one year from the date of separation to claim relocation expenses. This relocation assistance includes actual and reasonable expenses for transportation, movement of household goods, and temporary living expenses, not to exceed a cumulative total of \$2,500 per separated worker.

The Ohio Bureau of Employment Services, through Job Training Partnership Act (JTPA) Title III funds, may be available to assist impacted workers who are identified and certified as dislocated workers in counties served by the Private Industry Council (PIC) for relocation assistance at PORTS.

f. Training Programs

Throughout the development of this Plan, PORTS and PGDP are endeavoring with stakeholders to identify training needs that would fulfill the objectives of the Planning Guidance and Section 3161, and are practicable (i.e., the training is aimed at jobs, particularly DOE-funded jobs, where vacancies are expected in the near term, and it can be completed within a reasonable time and at a reasonable cost).

Impacted workers may also be interested in starting their own businesses by using entrepreneurial and small business development assistance and support services or by taking courses in establishing and operating small businesses. SODICRO and other community resources (e.g., Small Business Administration, SCORE, etc.) will be used on a coordinated basis to maximize the training and related services that can be provided.

The services and resources of the economic development programs funded through DOE grants and referenced in previous WFR Plans may be available to impacted workers. This will involve access to help with technology transfer and small business development (including business incubator space, management and technical assistance, and financial assistance through a revolving loan fund).

Retraining for new career fields is discussed in Section 5.b of this Plan, "Educational Assistance." That discussion describes a program to help impacted workers move to other career paths.

5. SPECIAL PROGRAMS FOR INVOLUNTARILY SEPARATED EMPLOYEES

a. Hiring Preference

Section 3161 of the National Defense Authorization Act for FY 1993 provides that, to the extent practicable, involuntarily terminated employees at defense nuclear facilities will be given preferential hiring consideration for filling available job openings in the work of DOE and its contractors and subcontractors. The preference extends to terminated employees who meet the eligibility criteria described in Appendix A (A-2) to this plan and who are qualified to perform the job at the time the work is to begin.

As established by the Department's Interim Planning Guidance for Work Force Restructuring, issued February 1996, this hiring preference will be provided to the extent practicable and reasonable with respect to budget restraints, contractual provisions, and other obligations. Where qualifications are equal, eligible employees will be given preference in hiring to the extent the preference can be applied consistent with applicable law, veteran's preference rights, formal employment seniority plans, and other required practices of the Department. This preference does not outweigh or override other preferences required by statute or Executive Order. Before the preference is applied, effect will be given to recall rights of laid off employees under applicable collective bargaining agreements.

Preference in hiring will be given by PORTS and PGDP contractors and subcontractors (whose contracts equal or exceed \$500,000 in value) to involuntarily terminated individuals in the following order:

Eligible former PORTS and PGDP regular full-time nonbargaining unit and bargaining unit (consistent with formal recall rights) contractor employees who are in lay-off status;

Eligible former PORTS and PGDP regular part-time contractor employees who are in lay-off status;

Eligible former employees from contractors at DOE sites other than PORTS and PGDP who are available through the DOE JOBBS, which contains resumes of laid-off or impacted former employees from other contractors.

Only after all preference-eligible individuals have been afforded preferential consideration will individuals be considered who participated in a VRIF program, along with other external candidates from outside the PORTS and PGDP sites.

It will be the obligation of the contractors and subcontractors to review eligible individuals who complied with the notification requirements for each position that comes

open, to determine if those individuals are qualified.

This preference will continue until an action has occurred on the part of a former employee that terminates the preference. Actions that terminate the preference include: voluntary termination or termination for cause from a position received from exercising this preference; or failure to comply with the annual certification requirements.

Individuals are given information on how to register for the hiring preference at the time of separation.

b. Educational Assistance

Educational assistance will be available to assist involuntarily separated employees, who meet the eligibility criteria in Appendix A (A-1), to make the transition from DOE-funded jobs to alternate contractor, private sector, industrial or independent job opportunities. This program provides educational assistance funds to involuntarily terminated workers only for the period identified by the contractor when implementing this benefit. It does not apply to employees who accept a voluntary termination of any kind nor those employees who do not meet the criteria in Appendix A (A-1).

This program is intended to supplement funding that may become available to displaced workers through future employers, state and other governmental grants and programs. All other available financial assistance (e.g., Job Training Partnership Act (JTPA), Pell Grants, etc.) must be exhausted before any individual may apply for and receive funding under this Plan benefit. PORTS and PGDP will work with impacted workers and their employers to allocate funding in response to requests for educational assistance.

This program provides a maximum benefit of up to \$6,000 (less scholarships, grants and other direct new employer assistance) for up to three years from the date of separation for an eligible displaced employee who pursues education for an alternate career. No more than \$3,000 may be received for these programs in any one year.

Reimbursement is limited to actual costs incurred upon certification by the former employee. To continue to receive reimbursement under this program, an individual receiving assistance must maintain satisfactory progress as defined by the educational institution. The educational assistance benefits may be subject to Federal Income and Federal Insurance Compensation Act taxes; any tax liability is the responsibility of the individual receiving the assistance, and this is not part of the benefit. Individuals should contact their tax advisors for more information.

Individuals have six months from the date of termination to submit an application for education assistance to their former employer. Assistance is available for study at recognized educational institutions, including universities or colleges, community

colleges, vocational schools, and technical schools. Other educational opportunities may be considered by the former employer in consultation with DOE (e.g. real estates course leading to a broker's license) at the time of application.

6. COMMUNITY AND ECONOMIC DEVELOPMENT INITIATIVE

The United States Department of Energy (DOE) recognized the Southern Ohio Diversification Initiative (SODICRO) as the community reuse organization serving the community surrounding the Portsmouth Gaseous Diffusion Plant. The mission of the SODICRO is to "actively promote the reuse of the under-utilized lands, buildings and facilities of the Portsmouth Gaseous Diffusion Plant. Furthermore, the purpose will be to promote further economic diversification and encourage area residents to move from dependency on a single federal facility to self sufficiency."

SODICRO is governed by a fifteen-member Board of Directors comprising representatives from the four impacted counties of Pike, Scioto, Ross and Jackson. Also, the SODICRO solicits the views and opinions of a larger group of advisors and stakeholders through periodic meetings of the SODICRO General Assembly.

On February 15, 1996, the SODICRO received a \$325,000 planning grant from DOE to carry out planning related to potential downsizing at the Portsmouth facility and produce a community transition plan to be submitted to DOE in mid-1997. This plan will detail potential impact scenarios and proposed projects to address community transition needs. The SODICRO also has proposed an extension of the planning stage until August 1998 with an additional planning grant of \$175,000.

The SODICRO has undertaken a number of initiatives and studies to promote diversification and reuse, as well as a number of projects for DOE funding. The initiatives and studies are as follows:

- Ohio State University has been retained to study the economic effects of downsizing in the region as well as the status of lands and buildings at the Portsmouth plant site.
- The SODICRO has initiated a study of the US Route 23 corridor, the primary north-south route through the region.
- A study is proposed for an in-depth review of the region's labor force capabilities and skills.
- SODICRO has commissioned a Phase I environmental report for a large greenfield industrial site for use as an industrial park near the plant site, as well as a study of the utility options for the park.

In addition, SODICRO has undertaken several initiatives related to on-site land and buildings. Currently, SODICRO is negotiating with DOE for the lease of several acres of land on the DOE reservation and access to DOE-owned rail to enable a local company to expand its operations on a site next to the reservation. The SODICRO has also requested from DOE the lease of a vacant building on the site to use for future industrial purposes.

The community transition plan that the SODICRO intends to submit to DOE later this

year will contain a number of projects to assist the region in economic transition. A brief description of the projects is as follows:

- An Enterprise Training and Development Program will be proposed to address two areas. The first area is the need to provide entrepreneurial training assistance to dislocated workers and other community members in starting up and expanding small businesses in the region. The second part of the proposed project is to provide equity capital assistance to new and expanding businesses in the region.
- In Scioto County, SODICRO proposes to fund the environmental cleanup of a brownfield site to be used for reindustrialization purposes. The Scioto County proposal also requests funds for the rehabilitation of an old industrial structure to be used as a speculative building for the industrial site.
- In Pike County, next to the plant site, SODICRO proposes transforming a large greenfield site into a 1,000-acre industrial park. Funds provided by DOE will provide engineering, site development and a shell building.
- The four counties in the region are proposing a state-of-the-art geographical information system (GIS) to provide highly accurate information to local governments to aid in future infrastructure planning.
- To facilitate expanded use of the airport, the Pike County Airport has requested funds to improve airport facilities. This is the closest airport to the PORTS.

The Paducah Site Office has not recognized a Community Reuse Organization for the greater Paducah area. The Purchase Area Development District and the Greater Paducah Economic Development Council are nonprofit economic development organizations, who are currently in the process of establishing a Community Reuse Organization for the greater Paducah area. Should such an organization be created and recognized by PGDP, consideration will be provided for assistance according to the guidance published by the Office of Worker and Community Transition on February 7, 1997.

7. PLAN FUNDING AND COSTS

USEC has issued notices of involuntary separation to approximately 130 workers for its prime subcontractor LMUS (Portsmouth 104, Paducah 11 and LMUS HQ 15 assigned at Portsmouth). DOE will provide funding from the Office of Worker and Community Transition account for the costs of reductions associated with DOE-funded activities. This would include, in this instance, Nuclear Safety Upgrade workers, subject to the understanding that if any employees actually separating have not been engaged in DOE or NSU work, USEC will bear their separation costs as identified under the LMUS contract.

A budget will be developed periodically based on job reductions and organizations involved with implementing WFR to identify the cost of providing the benefits and assistance described in this Plan to impacted workers. Impacts on workers generally will occur in several phases and involve LMUS at PORTS and PGDP. Budget estimates will be submitted to DOE Headquarters as part of the work force restructuring planning and verified in the Annual Update Report.

Since some uncertainty continues surrounding budget levels and the full impact of reengineering and contracting initiatives, as well as major unknowns involving program priorities, the number of impacted workers may increase substantially over initial estimates. If the number of affected workers must be increased significantly during the period covered by this Plan, the actual funding required to implement it could change significantly. If this occurs, funding requirements will be revised.

The cost of providing the other assistance and benefits will primarily be covered with section 3161 funds. It is PORTS and PGDP's intent to implement the benefits of the Plan on a fair and equitable basis. However, it is recognized that providing any specific assistance or benefit in a particular contractor situation or across entire programs may not be feasible to the same extent as with other contractors or programs if additional employees would be impacted. At that point, an evaluation of the most reasonable course of action will be made, considering all the circumstances and fiscal limitations involved. DOE will seek to identify funding for retraining programs whenever that would achieve section 3161 objectives, have a high probability of leading to jobs after training, and be affordable under the current fiscal climate.

APPENDIXES

Appendix A

Eligibility Criteria and Separation Benefit Summary

It is the intent of this Plan to cover employees whose current employment and subsequent termination, are directly related to the Department-of-Energy-funded activities, and to recognize service provided by many workers at Portsmouth and Paducah prior to the establishment of USEC and the contract restructuring that created LMUS, for whom no separation benefits were provided at that transition. The following eligibility criteria are established to meet these objectives:

Affected Employees -

Employed at DOE facility on or before July 1, 1993;

Employed full-time (40 hours per week) at a DOE facility from July 1, 1993, through the date of a restructuring announcement; and

Individual's current position directly impacted by the restructuring covered under this Plan.

OR

Employed at DOE facility after July 1, 1993;

Employed at PORTS or PGDP during the 90 days preceeding a restructuring announcement;

Employed to work on DOE-funded activities (to include Nuclear Safety Upgrades in the instance of separations announced on May 30, 1997) at PORTS or PGDP; and

Individual's current position directly impacted by the restructuring covered under this Plan.

Important Note: Employees will not be eligible for benefits associated with any service for which severance or other separation benefits were previously provided.

USEC will bear separation costs (according to the LMUS contract) for employees who do not meet the above criteria.

Eligibility Criteria for Preference in Hiring

To be eligible for Preference in Hiring under this Plan, employees must have been employed at the affected facility (PORTS and PGDP), on or before September 27, 1991 (the date recognized by DOE as the end of the Cold War), and meet the following additional criteria:

a. Regular Employees -

Employed at PORTS or PGDP on the date of a restructuring announcement;

Employed full-time (40 hours per week) at a covered DOE facility from September 27, 1991, through the date of a restructuring announcement; and

Individual's current position directly impacted by restructuring covered by this Plan, and individual is involuntarily terminated.

b. Intermittent Employees (including construction workers) -

Employed at DOE defense nuclear facility on or before September 27, 1991;

Employed at PORTS or PGDP during the 180 days preceding a restructuring announcement;

Employed at PORTS or PGDP a total time (including to September 27, 1991) equivalent to having worked full-time from September 27, 1991, to the date of the restructuring announcement, or actually worked the construction "standard" of full-time between September 27, 1991, and the date of the restructuring announcement; and

Individual's current position directly impacted by the restructuring covered by this Plan, and individual involuntarily terminated (including interruption of a project before its anticipated completion, or the completion of the assignment or project without prospect for a follow on assignment at the site).

Separation Benefit Summary

Separation Pay	V,I	
Out placement Assistance	V,I	
Education Assistance	I	
Relocation Assistance	I	
Displaced Worker Medical	V,I	
Preference in Hiring	I	(September 27, 1991)

V = Those employees accepted to participate in LMUS-approved Voluntary Reduction in Force (VRIF) Programs.

I = Those impacted employees who meet the job eligibility criteria described on A-1 and A-2 (Preference in Hiring).

Note: Separation (severance) benefit only available to the extent it is part of the contractor's normal company policy; this WFR Plan does not create or fund any special or additional separation pay benefits.

Appendix B STAKEHOLDERS

<i>Organization Name</i>	<i>Address</i>	<i>Organizational Contact</i>	<i>Telephone</i>	<i>Fax</i>
U.S. Rep - OH - Ted Strickland	Honorable Ted Strickland U.S. Congressman 336 Cannon Office Building First St. and Independence Ave. SW Washington, D.C. 20515	John Haseley	(614)353-5171	(614)353-8014
U.S. Senator - OH - John Glenn	Honorable John H. Glenn, Jr., U.S. Senator of Ohio 503 Hart Senate Office Bldg. Washington, D.C. 20510-3501	Vicki Butland	(614)469-6697	(614)-469-7733
U.S. Senator - OH - Mike DeWine	Honorable Mike DeWine U.S. Senator from Ohio 363 Russell Senate Office Bldg. Washington, D.C. 20510-3502	Jenny Theodor	(202)224-2315	(614)469-7419
Ohio Governor - George Voinovich	Honorable George V. Voinovich Governor of Ohio Ohio State House Broad & High Sts. Columbus, Oh 43216	Dan Neff, Director Governor Office of Appalachia	(614)644-9228	(614)752-5006
OH State Senators - Pike/Ross Counties	Ohio State House Broad & High Sts., Columbus, Ohio 43216	Mike Shoemaker	(614)466-8156	(614)466-4120, (614)644-6164
OH State Reps - Ross/Pike/Pickaway/Scioto Counties	Ohio House of Representatives 77 S. High St., Columbus, Ohio 43215	Joseph Sulzer Bill Ogg	(614)644-7928 (614)466-2124	(614)774-3203 (614)644-9494
Portsmouth Mayor	Honorable Franklin Gerlach Mayor of Portsmouth 728 Second St. Portsmouth, Ohio 45662	Franklin Gerlach	(614)354-8807	(614)354-8809
Jackson Mayor	Honorable John Evans Mayor of Jackson Broadway St. Jackson, OH 45640	John T. Evans	(614)286-3224	(614)286-3492
Waverly Mayor	Honorable Bill Kelly Mayor of Waverly 201 W. North St. Waverly, OH 45690	Bill Kelly	(614)947-5162	(614)947-5454
Chillicothe Mayor	Honorable Margaret Planton 35 S. Paint St. Chillicothe, OH 45601	Margaret Planton	(614)774-1185	(614)773-2072

<i>Organization Name</i>	<i>Address</i>	<i>Organizational Contact</i>	<i>Telephone</i>	<i>Fax</i>
Pike-ton Mayor	Honorable Carl Irvine Mayor of Pike-ton 109 Third St. Pike-ton, OH 45661	Carl Irvine	(614)289-8154	(614)289-3565
Pike County Board of Commissioners	Pike County Court House 100 East Second St. Waverly, OH 45690	John Harbert	(614)947-4817	(614)947-5065
Oil, Chemical & Atomic Workers, Local 3-689	Local 3-689, OCAW P.O. Box 467 Pike-ton, OH 45661	Dan Minter	(614)289-2405	(614)289-2126
United Plant Guard Workers of America, Local 66	United Plant Guard Workers P.O. Box 628, M.S. 5002 Pike-ton, OH 45661	Tom Douglas	(614)897-2331, ext. 5198	(614)897-2146
Lockheed Martin Energy Systems - Portsmouth EM Program	P.O. Box 628, X-7725, MS-7614 Pike-ton, OH 45661	David Taylor	(614)897-2700	(614)897-4400
Lockheed Martin Utility Services - Portsmouth	P.O. Box 628, X-100, MX-1223, Pike-ton, OH 45661	Dale Allen	(614)897-2101	(614)897-2909
Lockheed Martin Energy Systems - Portsmouth Public Affairs	P.O. Box 628, X-7725, MS-7614 Pike-ton, OH 45661	Sandy Childers	(614)897-2336	(614)897-4400
U.S. EPA, Region V	U.S. EPA, 77 West Jackson Blvd. Chicago, IL 60604	Eugene Jablonowski	(312)886-4591	(312)353-4788
Ohio EPA	Ohio EPA-SEDO 2195 Front St., Logan OH 43138	Maria Galanti	(614)385-8501	(614)385-6490
OH Department of Health	Ohio Department of Health, Environmental Health Services P.O. Box 118, Columbus, OH 43266	Celeste Lipp	(614)644-2727	(614)644-1909
Portsmouth-Pike-ton, OH Residents for Environmental Safety & Security (PRESS)	P.R.E.S.S. 3706 McDermott Pond Creek Rd. McDermott, OH 45652	Vina Colley	(614)259-4688	(614)259-3912
Pike County, Chamber of Commerce	Pike Co. Chamber of Commerce	Blaine Beekman	(614)947-7715	(614)947-7716

<i>Organization Name</i>	<i>Address</i>	<i>Organizational Contact</i>	<i>Telephone</i>	<i>Fax</i>
Southern Ohio Diversification Initiative (Community Reuse Organization)	Ohio Diversification Initiative OSU-Piketon Research & Extension, P.O. Box 549, Piketon, OH 45661	Greg Simonton	(614)289-3654	(614)289-4591
Ross County Chamber of Commerce	Ross Co. Chamber of Commerce 165 South Paint St. Chillicothe, OH 45601	David Milliken	(614)772-4530	(614)772-5535
Jackson County Chamber of Commerce	Jackson Co. Chamber of Commerce, 382 Pearl St. Jackson, OH 45640	Randy Heath	(614)286-2722	(614)286-8443
Scioto County Chamber of Commerce	Scioto Co. Chamber of Commerce P.O. Box 509, Portsmouth, OH 45662	Mary Moore	(614)353-1116	(614)353-5824
U.S. Enrichment Corp. Public Affairs	U.S. Enrichment Corporation, 6903 Rockledge Drive, Bethesda MD 20817	Barbara Arnold	(301)564-3354	(301)564-3211

MEMBERS OF THE SOUTHERN OHIO DIVERSIFICATION
INITIATIVE, COMMUNITY REUSE ORGANIZATION
(SODICRO)

Don W. Arledge Ross County Commissioner 210 Yellowbud Road Chillicothe, OH 45601	Pat Bell Ohio University 1804 Liberty Avenue Ironton, OH 45638	John Brodt Ohio Valley Electric Corp. P.O. Box 468 Piketon, OH 45661
A. Wayne Bussler Scioto County Commissioner 727 Herms Hill Wheelersburg, OH 45694	James M. Caldwell Ross County Commissioner 306 Fairway Avenue Chillicothe, OH 45601	John Carey State Representative 77 s. High St., 11th Floor Columbus, OH 43206-0603
Steve Carter Scioto County Ec. Dev. 602 7th Street, Room 4 Portsmouth, OH 45662	Bob Christensen Shawnee State University 940 Second Street Portsmouth, OH 45662	Gus Comstock Economic Development Dir. 35 S. Paint Street Chillicothe, OH 45601
John Cormier Lockheed Martin Utility Sv. P.O. Box 628 Piketon, OH 45661	Sam Crawford Southeastern Ohio Reg. Coun 837 E. Main Street Oak Hill, OH 45656	Dan De Santis SOGP P.O. Box 509, 814 7th St. Portsmouth, OH 45661
Dr. Barry Dorsey Rio Grande University P.O. Box 157 Rio Grande, OH 45674	Robert Foster First National Bank 107 N. Market Street Waverly, OH 45690	Raymond Fout Pike County Commissioner 3044 Coal Dock Road Waverly, OH 45690
RV Buddy Graham Regional Ec. Dev. Assn. Center for Econ. Develop. Rio Grande, OH 45674	Gary Green Bank One 197 E. Emmitt Avenue Waverly, Oh 45690	Jerry Gust Rio Grande University Loren Berry Center Rio Grande, OH 45674
John Haberthy United Plant Guard Workers 385 Adkins Hoffer Hill Rd. Otway, OH 45657	Tracy Hatmaker Ross Co. Planning Dept. 15 N. Paint St., Suite 201 Chillicothe, OH 45601	Gary Haynes Pike Dev. & Energy Dev. 1449 Boswell Run Road Piketon, OH 45661
Dave Henderson OSU Piketon R&E Center 1864 Shyville Road Piketon, OH 45661	Robert Hickey US Dept. Of Commerce 200 N. High St., Rm. 740 Columbus, OH 43215	Frank Hirsh Ross County Commissioner 12854 SR 772 Chillicothe, OH 45601

MEMBERS OF THE SOUTHERN OHIO DIVERSIFICATION
INITIATIVE, COMMUNITY REUSE ORGANIZATION
(SODICRO)

Steve Wells Scioto County JVS P.O. Box 766 Lucasville, OH 45648	Teddy West Scioto Township 2170 Wakefield Mound Road Piketon, OH 45661	Ted Wheeler Pike County Auditor 100 E. Second St. Courthouse Waverly, OH 45690
H. Lloyd White Jackson Coun. Commissioner 2748 McCune Road Jackson, OH 45640	Doug White State Senator State House Columbus, OH 43215	Robert W. Willis Jackson Coun. Commissioner 12995 Beaver Pike Jackson, OH 45640
William Wonnell Waverly Mayors Office 201 W. N. Street Waverly, OH 45690		

PADUCAH STAKEHOLDERS

Hon. Danny Orazine McCracken County Judge Executive McCracken County Courthouse 301 S. Sixth Street Paducah, KY 42003	Mark Payton, Dist. Dir. Purchase Dist. Health Dept. P.O. Box 2657 Paducah, KY 42002-2357	Hon. Coy Creason, Mayor Benton Town Hall 1009 Main St. Benton, KY 42025
Charles Logsdon, Manager W. Kentucky Wild. Mgmt. Area 10535 Ogden Landing Rd. Kevil, KY 42053	Hon. Bill Kommer, Mayor Metropolis Town Hall 106 West Fifth Street Metropolis, IL 62960	Melodie Shrader Paducah Area Chamber of Commerce P.O. Box 810 Paducah, KY 42002-0810
Hon. Albert Jones, Mayor City of Paducah P.O. Box 2267 Paducah, KY 42002	Kristin Reese, Pres. & CEO Greater Paducah Econ. Dev. Council 2000 McCracken Blvd. Paducah, KY 42002	Dr. John A. Volpe, Mgr. Radiation Control Branch 275 E. Main Street Frankfort, KY 40621
Robert H. Daniell Waste Mgmt. Division EPA 14 Reilly Rd. Frankfort, KY 40601	Jack Wilson, Director Water Division, EPA 14 Reilly Rd. Frankfort, KY 40601	Rep. Freed Curd 1607 Sycamore Murray, KY 42071
Rep. J.R. Gray 3188 Mayfield Highway Benton, KY 42025	John E. Hornback, Director Air Quality Div., EPA 316 Saint Clair Mall Frankfort, KY 40601	Rep. Kathy Hogancamp 300 Acorn Lane Paducah, KY 42003
David Fuller OCAW Local 3-550 P.O. Box 1410 Paducah, KY 42001	Rep. Charles Geveden P.O. Box 518 Wickliffe, KY 42087	Sen. Bob Leeper Legislative Offices Capital Annex Bldg. Frankfort, KY 40601

Appendix C

LMUS OCAW-PORTS Layoff Allowance Eligibility Schedule

Company Service Allowance

Less than 3 months	No allowance.
3 months but less than 1 year	1 week (or 40 hours)
1 year but less than 3 years	1-1/2 weeks (or 60 hours)
3 years but less than 5 years	2-1/4 weeks (or 90 hours)
5 years but less than 7 years	3 weeks (or 120 hours)
7 years but less than 10 years	7 weeks (or 280 hours)
10 years but less than 11 years	8 weeks (or 320 hours)
11 years but less than 13 years	9 weeks (or 360 hours)
13 years but less than 15 years	10 weeks (or 400 hours)
15 years but less than 17 years	11 weeks (or 440 hours)
17 years but less than 18 years	11-1/2 weeks (or 460 hours)
18 years or more	Same as for 17 years plus 1/2 week (20 hours) for each added year of service.

SPECIAL NOTE:

The following would apply to any employee who had been laid off at one time and paid his or her layoff allowance and later rehired:

An employee on layoff who is recalled and subsequently laid off will have his or her layoff allowance computed based on his or her most recent recall date, plus any unused portion of his or her layoff allowance previously earned.

LMUS
OCAW-PGDP
Layoff Allowance Eligibility Schedule

Company Service Allowance

Under 12 weeks	No Allowance
12 weeks - 1 year	Same proportion of 1 weeks' pay as completed months of service are of 12 months
1 year but less than 3 years	1 week (or 40 hours)
3 years but less than 5 years	2 weeks (or 80 hours)
5 years but less than 7 years	3 weeks (or 120 hours)
7 years but less than 10 years	4 weeks (or 160 hours)
10 years	6 weeks (or 240 hours)
11 years or more	Same as for 10 years plus 1 Week (or 40 hours) for each added year of service

**Salaried Employees
Layoff Allowance Eligibility Schedule**

Company Service Allowance

Less than 3 months	No allowance.
3 months but less than 1 year	1/12 of one-half month's pay for each completed month of company service credit.
1 year but less than 3 years	One-half month's pay.
3 years but less than 5 years	Three-fourths month's pay.
5 years but less than 7 years	One month's pay.
7 years but less than 10 years	One and one-half months pay.
10 years but less than 11 years	Two months pay.
11 years or more	Same as for 10 years plus one-fourth month for each additional year of company service credit over 10 years.

SPECIAL NOTE:

The following would apply to any employee who had been laid off at one time and paid his or her layoff allowance and later rehired:

An employee who had been laid off and rehired at a previous time but is subsequently laid off at this time will have his or her layoff allowance computed based on his or her most recent rehire date, plus any unused portion of his or her layoff allowance previously earned.

**Appendix D
PUBLIC MEETING
COMMENTS**

A Public Meeting was held July 28, 1998. List of attendees and overview provided.

**U.S. Department of Energy
Work Force Restructuring Plan Meeting
Ohio State University Research Center
Piketon, Ohio**

July 28, 1997

Attendees:

Dale Allen, Lockheed Martin Utility Services
Dr. V. Patrick Bell, Ohio University-Ironton
Steve Carter, Scioto County Economic Development Office
Sandy Childers, Lockheed Martin Energy Systems
John Cotmier, Lockheed Martin Utility Services
Mike Dabbert, U.S. Department of Energy
Anita Dever, Lockheed Martin Utility Services
Ruth Fullen, Lockheed Martin Energy Systems
Eugene Gillespie, U.S. Department of Energy
John Haseley, Congressman Ted Strickland's Office
Randy Hunt, Columbus, Ohio
T.J. Justice, Chillicothe, Ohio
Dave Lavender, Chillicothe Gazette
Dan Minter, Oil, Chemical and Atomic Workers Union
Jerry Moore, Lockheed Martin Energy Systems
Mike Neal, Oil, Chemical and Atomic Workers Union
Mary Painter, USDA Rural Development
Martin Poston, Portsmouth Daily Times
Harry Rider, Seal Township Trustee
Randy Runyon, Southern Ohio Diversification Initiative
Greg Simonton, Southern Ohio Diversification Initiative

INTRODUCTION

Eugene W. Gillespie, site manager for the U.S. Department of Energy's (DOE) Portsmouth Site Office, introduced Mike Dabbert, financial and administrative officer for the DOE Portsmouth

Site Office, who would provide an overview of the draft *Portsmouth and Paducah Site Office Work Force Restructuring Plan*. Gillespie stated the Department of Energy's intent with this plan is to address all impacted Lockheed Martin Utility Services employees working on DOE activities. Once questions from local stakeholders are incorporated into the plan, it would be submitted to the DOE-Headquarters Office (DOE-HQ) in Washington D.C. for final approval, expected by the end of August.

Work Force Restructuring Plan Overview

Dabbert explained that the Work Force Restructuring Plan includes benefits authorized for impacted employees at the plant. It was developed to mirror a package prepared by the Oak Ridge Operations Office for the Oak Ridge, Tennessee impacted employees at the DOE facility there. Normally, Gillespie said, there are 120 days to put such a plan together and receive comments. However, a DOE-HQ request on May 29 was for an initial draft of the Portsmouth and Paducah Work Force Restructuring Plan by June 6. He said the Portsmouth Site Office submitted the draft plan for public comments on July 11 and was meeting with stakeholders now in order to obtain comments and answer any questions prior to a final plan being approved by DOE-HQ. Comments would need to be submitted to the DOE Site Office very soon, Gillespie emphasized, because the final plan must be approved in order for impacted employees to begin receiving benefits and the first of these employees would be leaving the Lockheed Martin Utility Services payroll on July 31.

The draft Work Force Restructuring Plan will serve as a generic plan outlining benefits and actions that may be taken to address the impact of restructuring of the DOE programs (as a result of changing missions and cost-saving initiatives) on Lockheed Martin Utility Services workers at the Portsmouth and Paducah plants through calendar year 1998, Dabbert said. The draft plan specifically addresses impacts on Lockheed Martin Utility Services. The Oak Ridge Operations Work Force Restructuring Plan will address benefits and restructuring actions for any impacted Lockheed Martin Energy Systems employees.

Benefits and Services Under Plan

There are voluntary and involuntary separation programs, Dabbert said. The voluntary program offers employees the option of voluntarily separating from the company and receiving regular severance pay, up to \$25,000 based on their years of service, rather than being laid off if their job classification is at risk of layoff. There were a total of 38 employees approved for the voluntary reduction in force (VRIF) program when the program was offered to PORTS employees.

Medical Benefits - Separating employees are eligible for medical insurance under Displaced Workers Medical Benefits. During the first year following separation, the contractor (with reimbursement by DOE) will continue to pay its portion of the former employee's medical premium and the former employee will pay the normal employee share. During the second year, there is a 50/50 split with DOE picking up the tab for 50% of the cost and the former employee

paying 50% of the Consolidated Omnibus Budget Reconciliation Act (COBRA) rate. During the third and subsequent years, the former employee must pay the full COBRA rate.

Outplacement Assistance - Dabbert noted that a contract has been established by LMUS with Star Access to assist impacted employees with job employment services.

Relocation Assistance - Relocation assistance, up to \$2,500, is available for those involuntarily released in order to obtain employment at other DOE facilities. DOE is also looking at the possibility of providing relocation assistance to obtain gainful employment outside DOE facilities but in other areas, such as in Cincinnati or Columbus. The Federal Job Training Partnership Act (JTPA) identifies relocation assistance and there could be some funding available through this source, in addition to what DOE is providing.

Educational Assistance - DOE will provide involuntary reduction in force impacted employees (who meet the eligibility requirements) with supplemental educational assistance that is not limited to college courses but also other courses that would enhance the individual's ability to obtain employment (i.e., computer training, real estate). Impacted employees must go through the JTPA program first for educational assistance before seeking DOE assistance. Time frame for educational assistance is within the first year after employment termination and a maximum of \$6,000 for up to three years from the date of separation will be allowed for educational assistance. Any scholarships or Pell grants would reduce the amount DOE provides.

Hiring Preference - Any employees on DOE activities who were hired prior to September 27, 1991 also qualify for preferential hiring under Section 3161 of the National Defense Authorization Act.

The following are comments and questions received from the Draft Work Force Restructuring Plan dated July 10, 1997:

1. Page 10, Paragraph 2

Comment: Sentence should read "PORTS and PGDP works with the contractors covered by the Plan..."

Response: Sentence has been changed in the Plan.

2. Page 12, Item 4a, Paragraph 3, Voluntary Separation Programs

Comment: Paducah's window period for both the hourly and salary VRIF was June 26 - July 10.

Response: This has been included in the Plan.

3. Page 12, Item 4b, Dislocated Workers Medical Benefits

- a. **Comment:** Clarification is needed on what "are not eligible for" means. If an employee could be eligible for retirement, but elects not to do so at this time, does this prohibit him/her from Dislocated Workers Medical Benefits under 3161?

Response: At termination Lockheed Martin employees who meet the age and service requirements for retirement benefits and retiree medical health insurance must make two elections before separation. One, they must make an election whether they take an immediate or deferred annuity. Second, they must make an election whether they want to enroll for retiree medical benefits. This is a Lockheed Martin written policy for benefits. Based on this the employee would be eligible for retiree medical benefits at time of separation and therefore, not be eligible for Dislocated Workers Medical Benefits.

- b. **Comment:** If an employee's spouse is working but does not have coverage through that employment, would this qualify the employee to pursue the medical benefits under 3161.

Response: Yes, as long as the employee is not eligible for medical insurance through any other means..

- c. **Comment:** If an employee is currently covered by a spouse's medical coverage, but subsequently loses that coverage, is the employee then eligible for 3161 benefits? If so, for how long and at what rate?

Response: If an employee upon separation is covered by spouse's medical coverage and spouse subsequently loses that coverage, the employee is eligible for Displaced Workers Medical Benefits. The employee would be eligible for the same rate stated in the Plan. The first year would begin at the date of separation regardless of when the employee loses medical coverage.

- d. **Comment:** If an employee has a condition that requires chiropractic services but is eligible for coverage under another coverage (i.e. spouses coverage, Medicare, etc.) which does not provide for coverage of these services, would that employee be eligible to continue his or her current coverage under 3161?

Response: If the former employee is eligible for coverage from another employer, but that employer's coverage contains preexisting condition limitation or exclusion, the former employee will be allowed to receive coverage for the preexisting condition under the extended medical coverage under the Displaced Workers Medical Benefit program until the preexisting condition limitation or exclusion period is satisfied. The key here is another employer. If coverage

under a spouse's plan or Medicare does not provide the same level of coverage that a former employee had, it does not make that employee eligible for coverage under the Displaced Workers Medical Benefit Program.

4. **Page 16. Item d. Relocation Assistance**

- a. **Comment:** If an employee can provide a bonafide offer of employment from another employer (did not have to be a DOE site employer) which includes information about available relocation benefits that would amount to less than the \$2,500 provided through 3161, the employee would then be eligible for relocation benefits?

Response: No. Reimbursement of relocation expenses up to \$2,500 for moves to another DOE facility or a Lockheed Martin location if the hiring location's policies and practices do not cover full reimbursement of relocation expenses. The underlined portion is to be added to the Plan. The Job Training Partnership Act does provide funds for relocation expenses for those moves that are not covered under the Plan.

- b. **Comment:** Also, the relocation benefits provided through 3161 are in addition to any other relocation benefits a former employee would be eligible for through the Dislocated Worker Program benefits?

Response: Yes, if the reimbursement for relocation expenses under the Job Training Partnership Act does not cover full reimbursement of relocation expenses that the displaced employee incurred.

- c. **Comment:** Is there a time limit from the date of separation for applying for reimbursement for the relocation assistance?

Response: Yes, within one year from date of separation. This will be added to the Plan.

5. **Page 19 and 20. item b. Educational Assistance**

- a. **Comment:** Does "All other available financial assistance" include student loans?

Response: Student Loans are not considered to be included as available financial assistance under 3161.

- b. **Comment:** Are correspondence courses covered? If someone is currently enrolled in course work (i.e., paralegal), will their tuition be covered?

Response: Yes, if the correspondence courses are taken through institutions listed in the Distance Education and Training Council Directory, recognized by a federal or state agency, or recognized by the Veterans Administration. Yes, if the course of study is recognized above.

- c. **Comment:** Will this program pay for continuing education to maintain an existing certification, like HAZWOPER?

Response: No, it would be the responsibility of the new employer to provide such training.

- d. **Comment:** If an employee obtains other employment, are these benefits stopped at that time or do they continue? A second part of this question would be if the new employment is only part-time, in order for a former employee to supplement his or her income while attending school, would he or she still be eligible to continue this benefit?

Response: Coverage is terminated if an individual accepts another comparable job offer or receives equivalent educational assistance benefits from another employer. A comparable job offer is defined as one that provides 70% or more of the individual's last Lockheed Martin base salary.

- e. **Comment:** Is the educational assistance available for both part-time and full-students?

Response: Yes, educational assistance is available for part-time and full-time students.

- f. **Comment:** If an involuntarily separated employee elects to take retirement concurrently with layoff, but is planning to seek other employment outside of Lockheed Martin (layoff effective July 31, retirement effective August 1), would he or she still be eligible for relocation assistance or education assistance?

Response: Yes, if an involuntarily separated salaried employee elects to take retirement concurrently with the layoff, he or she would be eligible for relocation and education assistance.

6. **Appendix A, A-2, Section b**

Comment: Should the date for the Intermittent Employees be September 27, 1991?

Response: Yes, the Plan will reflect the date to be September 27, 1991.

7. **Appendix C, C-1**

Comment: The attached OCAW Layoff Allowance Eligibility Schedule is for the Paducah facility. The one addressed in the Plan was for the PORTS site only.

Response: The attachment provided will be included in the Plan.

8. **Comment:** At this time the contractor has the responsibility to provide the 120 day notification. However, if the contractor does not, does the Department have authority to intervene due to the Privatization and Energy Act of 1993?

Response: The Draft Interim Planning Guidance for Contractor Work Force Restructuring, dated April 1997, does state that the plan should provide at least 120 days notice to employees and communities prior to the start of any involuntary separations. The DOE managers at PORTS and PGDP are working closely with contractors to ensure proper notification occurs in future work force restructuring activities. PORTS is currently working with the United Plant Guard Workers of America (UPGWA) to provide educational assistance prior to any notification of involuntary separations.

9. **Comment:** When seeking comments or information for the draft of the Work Force Restructuring Plan, the Department depends on the contractor to utilize the Stakeholder input. But when the contractor does not utilize the Stakeholder comments till after the information has been formulated to the Department the stakeholder (union) becomes reactive instead of proactive. When the Draft is being put together the stakeholder should be involved at the earliest possible time.

Response: The Department will of necessity seek the assistance of its contractors in developing work force restructuring plans, never the less the plans are Department of Energy products. DOE had a short time to develop a work force restructuring plan for those employees who were to be separated July 31, 1997. The DOE's Office of Worker and Community Transition, provided approval to develop a work force restructuring plan on May 29, 1997, and PORTS and PGDP were to mirror the benefits package that was provided to Lockheed Martin Energy Systems through the Oak Ridge Work Force Restructuring Plan. If DOE had the 120-day notification, interaction with the stakeholders and local communities would have occurred in the actual development of the plan.

10. **Comment:** Page #4: Issuing a general announcement at the time of implementing major Work Force Restructuring. What is considered major?

Response: The DOE Site Offices consider a restructuring action to be major when there are over 100 voluntary or involuntary reductions at both PORTS and PDGP.

11. **Comment:** Page #6: Due to the contractor making it difficult to plan work force needs for future years, the Department needs to place more responsibility on the contractor. Instead of the Department going to the Secretary of Energy for nonparticipation or lack of cooperation from the contractor and intervening of Congressional personnel, there needs to be a mechanism in place to have the contractor held accountable.

Response: DOE is working with USEC and LMUS on future work force restructuring activities to provide the affected employees time to be proactive in the development of the benefits package. DOE has no direct authority over USEC.

12. **Comment:** Page #6: Each planning year a planning analysis by skills is offered to the Department. This information needs to be shared with the labor organizations so appropriate measures can be utilized and plans be implemented.

Response: DOE will provide the labor organizations the planning analysis by skills that is received from LMUS and USEC.

13. **Comment:** Page #9: The contractor is suppose to limit external hiring unless the contractor needs to obtain critical skills within the existing work force. There is no strong program in existence to have the contractor to obtain the critical skills that are called for. The labor organization wants a level playing field.

Response: DOE is committed to assuring that contractors maximize utilization of the existing work force to reduce the need for involuntary separation through a reduction in force. The Plan identifies to the impacted organization several actions to be followed when feasible. Consistent with DOE Order 350.1, Chapter 3, PORTS and PGDP will work with the contractors covered by this Plan to ensure they use their best efforts to alleviate adverse impact and to require that they document their analysis to demonstrate these efforts.

14. **Comment:** Page #9: The statement of "Retraining whenever applicable" is much to vague. Is there a mechanism for the contractor to seek a reason to retrain?

Response: Retraining is further discussed on page 17.

15. **Comment:** Page #10: To be consistent with DOE Order 350.1. How does the Department ensure that "they" (LMUS, USEC) uses their best efforts to alleviate adverse impacts and require that "they" document the analysis to demonstrate their efforts on a level playing field? This is where the labor organization wants input earlier not after the fact.

Response: DOE retains the responsibility for developing the plan and overseeing its implementation. PORTS and PGDP are coordinating these efforts with USEC and LMUS.

16. **Comment:** Page #16: Referencing Career Center; the suggestion is to combine the information on job opportunities at both sites Paducah and Portsmouth.

Response: Information is to be compiled from both PORTS and PGDP and will be combined.

17. **Comments:** Page #16: To assist impacted workers, the UPGWA would like assistance in accessing the funds of Title III. We would like that opportunity at this time due to our knowledge of the impact in 1998.

Response: Title III funds available under Joint Training Partnership Act are for displaced workers and are available once the worker has notification in hand (State controlled program). DOE has provided the use of the educational assistance benefit to UPGWA prior to the anticipated layoffs.

18. **Comment:** Page #19: Educational Assistance (the \$6,000 for maximum benefit) is not consistent with the past or other DOE sites. We would recommend the standard \$10,000.

Response: As notices of involuntary separation are provided, affected workers were advised that they will receive benefits consistent with those provided recently to involuntarily separated workers at Oak Ridge. The education assistance provided to Oak Ridge was \$6,000, and \$6,000 will remain the same in this plan.

19. **Comment:** Page #20: The statement about applying for educational assistance within three months of separation. The UPGWA would like to recommend six months.

Response: The plan will be changed to allow applying for educational assistance within six months of separation from PORTS or PGDP.

20. **Comment:** Page #23: Due to the uncertainty of the full impact to the workers at Portsmouth and the significant change in funding, the Department needs to find a avenue and authority of gaining information in a timely manner to assist the employees in a fair, equitable way. Instead of having Congressional personnel intervening for the interest of the employees. Right now the contractor and USEC have no accountability or reason to assist the employees. "They" have a business to run.

Response: DOE, USEC and LMUS are working together to obtain information in a timely manner. DOE has no direct authority over USEC.